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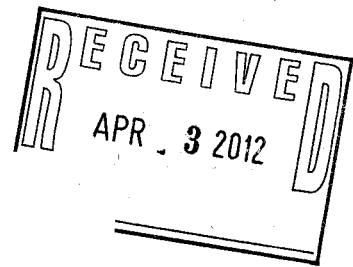
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Pima Utility Company

W-02199A-11-0329

SW-02199A-11-0330

April 2, 2012



Arizona Corporation Commission
Commissioners Wing
1200 West Washington St.
Phoenix, Arizona 85007-2996

Water Docket #W-02199A-11-0329
Sewer Docket #SW-02199A-11-0330

To the Commission Members:

I strongly object to Pima Water and Sewer Utility Company's request for an increase in water and wastewater rates. In a time of economic distress to many homeowners the suggestion that they should double the rate of return on equity is inappropriate. The usage percentage increase to homeowners is outrageous. I can understand more frequent increases, but this, which increases both my residence charges and my homeowners' expense, is unreasonable. Please do not approve the requested increases.

Sincerely,

Barbara C. Schira

Barbara C. Schira

Arizona Corporation Commission

DOCKETED

APR 20 2012

DOCKETED BY	<i>mn</i>
-------------	-----------

2012 APR 20 PM 2 02
DOCKET CONTROL
AZ CORP COMMISSION
RECEIVED

April 5, 2012

My Name is Ellen E. Fox,
Unit #46, Lot # 116,
9830 E. Gemini Place,
Sun Lakes, AZ 85248

I am against any increase in
my water + sewer bill from
Pima Utility. I am a widow +
live on a fixed income. I do not
work + I am almost 80 yrs. old.
We, all people of my age, cannot
afford an increase. There are too
many increases in everything right
now for us to make ends
meet. Please consider a "No"
vote on this issue.

A note from: Mrs. Ellen E. Fox

RECEIVED

APR 13 2012

TO THE AZ. COMM.

By

I AM A HOMEOWNER AND
I USE WATER AND SEWER
FROM PIMA UTILITY. I STRONGLY
PROTEST THE OUTRAGES INCREASE
THE UTILITY IS ASKING FOR.
BEFORE MOVING HERE I PAID
A SEWER CHARGE ON THE
AMOUNT OF WATER USED.
THE UTILITY HAS BEEN CHG.
FOR THE SEWER FOR YEARS.
WE HAVE TO PAY IT, EVEN
THO WE GO BACK EAST FOR A
FEW MONTHS IN THE SUMMER
I THINK WE ARE OVERCHARGED
NOW. IT WILL PUT A HARDSHIP
ON THE PEOPLE ON FIXED INCOME

CONCERNED HOMEOWNER
MR & MRS. Robert Fleck
8866 E FAIRWAY BLVD
SUNLAKE, AZ 85248
LOT 4-200

Az. Corporate Commission
Commissioners Wing

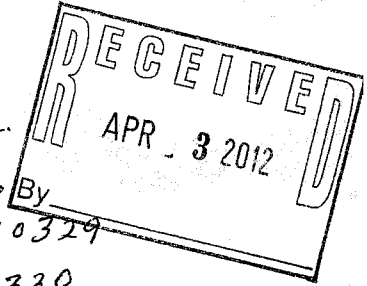
Mar 31, 2012

1200 W. Washington Ave.

Phoenix, AZ, 85007-2996 By

Docket # D AZ W-02199A-10329

" SW SW 02199A-10330



Dear Commissioners:

We live in the Ironwood Sect. of Sun Lakes, and see no reason to increase our water & sewer rates, at this time. Sun Lakes Associations and its residents do our part in practicing prudent usage of water & sewers to protect our environment and resources.

Sincerely,

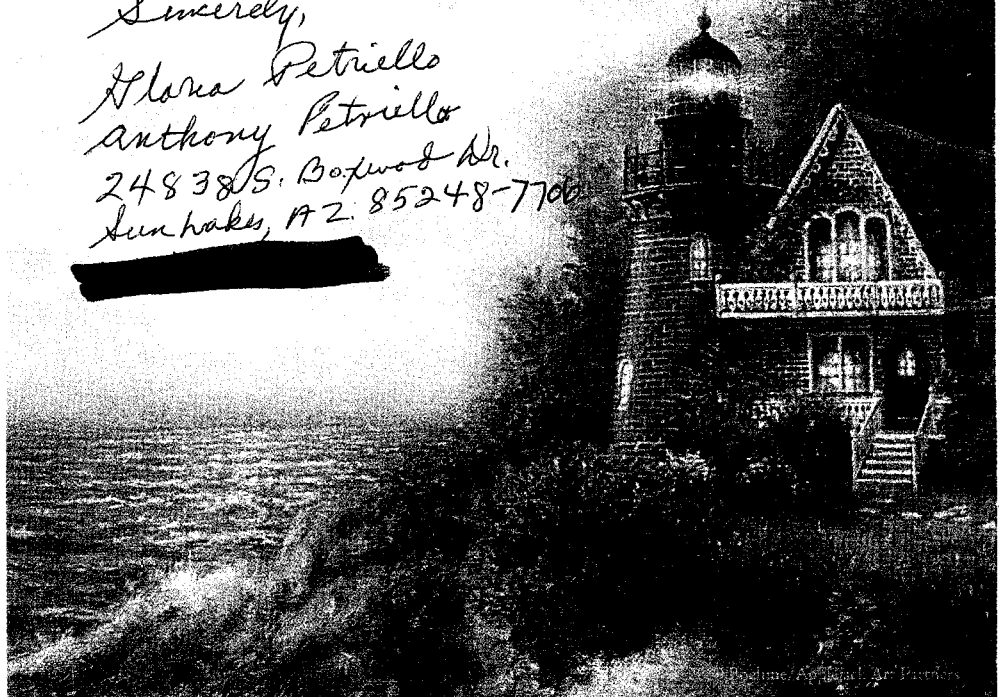
Glenn Petriello

Anthony Petriello

24838 S. Boxwood Dr.

Sun Lakes, AZ 85248-7706

[Redacted signature]



Antonio Gill

From: WVNeiman@aol.com
Sent: Tuesday, April 03, 2012 8:26 AM
To: Newman-Web; Burns-Web; Pierce-Web; Kennedy-Web; Stump-Web
Subject: Concerns regarding proposed Pima Utility Company rate increases

Greetings Commissioner

I am writing regarding the proposed water and wastewater rate increase by Pima Utility Company. I live in the Cottonwood Palo Verde portion of Sun Lakes and am a customer of Pima Utility Company. We are generally pleased with the products and services of the company but do feel there are some issues to be aired with regard to their proposed rate increase (Docket W-02199A-11-0329 and SW-02199A-11-0330 which have been consolidated).

My concerns are for the financial impact upon both my residence and the community at large.

.. The residential increases for my home would be about \$98 per year.

.. The community increases involves additional costs for utility uses by our amenities including the restaurants, fitness center showers, pools, restrooms etc. In addition the nearly doubling of the irrigation water rate adds over \$162,000 to the community bill. Another consideration in the area of irrigation water is the poor quality of the well water. The well from which we get the majority of our water is critical in sodium and chlorine content. This situation necessitates spending a considerable sum for blight eradication. My share of the community impact which would have to be accomplished via increasing the annual HOA dues would be about \$49 per year making the total financial impact upon me nearly \$150 per year.

In addition to the financial impact of the proposed rate increases there are some other issues that warrant your consideration.

.. Pima Utility did a distribution of \$3,340,000 to their investors in 2009. Pima is proposing to borrow some \$4,000,000 to pay off old bonds, perform some system improvements and do a distribution to their investors of \$2,500,000. These investor returns are unheard of in our current economy.

.. Pima uses its excess cash to loan an affiliate. They could either use the excess to pay shareholders or further pay down debt reducing their interest expense.

.. I do not see the rationale for asking customers to pay the tax expense of their Sub S corporation.

.. The filing indicates an unusually high rate of return (around 10%) for shareholders. This is in addition to the cash distributions mentioned earlier. Neither of these support any need for rate increases.

I do expect Pima Utility Company to be profitable and remain in business. I also expect the company to operate efficiently and to perform all necessary repairs and system improvements I do not see any supporting rationale for the rate increases sought.

Sincerely,

Ellwood C. Neiman
26013 S. New Town Drive
Sun Lakes, AZ 85248

Antonio Gill

From: M & W Wright gmail [wmwright1811@gmail.com]
Sent: Monday, April 02, 2012 8:40 PM
To: Newman-Web; Burns-Web; Pierce-Web; Kennedy-Web; Stump-Web
Subject: Proposed PIMA Increase

Commissioners:

We are Wayne and Marjorie Wright, and we live at 8913 E Copper Drive, Sun Lakes AZ 85248.

This concerns docket numbers W-02199A-11-0329 and SW-02199A-11-0330.

We object to the proposed rate increases by PIMA because the increase in irrigation water equals a 94.44% increase. Also, the effluent water increase is a 23.01% increase and costs more to produce than irrigation water which we are required to use. These price increases will be reflected not only on our personal bills, but also will result in an increase in our homeowner fees.

As retirees, we note that our social security increases are at an all time low. We feel that the proposed increases are unreasonably high and will result in hardship for many, especially retirees.

Your consideration of this matter would be greatly appreciated.

Wayne and Marjorie Wright

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Click Here!

Antonio Gill

From: Bcschira@aol.com
Sent: Monday, April 02, 2012 7:37 AM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Subject: Pima Watr and Sewer Utility Company Rate Increase Request

Water Docket #W-02199A-11-0329
Sewer Docket #SW-02199A-11-0330

To the Commission Members:

I strongly object to Pima Water and Sewer Utility Company's request for an increase in water and wastewater rates. In a time of economic distress to many homeowners the suggestion that they should double the rate of return on equity is inappropriate. The usage percentage increase to homeowners is outrageous. I can understand more frequent increases, but this, which increases both my residence charges and my homeowners' expense, is unreasonable. Please do not approve the requested increases.

Barbara C. Schira
9023 E. Coopers Hawk Dr.
Sun Lakes, Arizona 85248

Antonio Gill

From: m hayes [mardhayes@live.com]
Sent: Sunday, April 01, 2012 5:00 PM
To: Burns-Web; Pierce-Web; Newman-Web; Kennedy-Web; Stump-Web
Subject: PIMA REQUEST FOR PRICE INCREASE FOR SUN LAKES AZ

I AM TOTALY AGAINST ANY PRICE INCREASE AS THAT REQUESTED FOR SUN LAKES BY PIMA UTILITY.

OUR ECONOMY IS SUCH BAD SHAPE AND MY INCOME WON'T WON'T KEEP UP WITH THE PRICES AS THEY ARE NOW

PLEASE DON'T MAKE OUR CONDITIONS ANY WORSE BY GIVING IN TO SUCH OUT LANDISH REQUESTS FOR PRICE

INCREASES.

SINCERELY.

**MARILYN HAYES
10921 E. BELLFLOWER DR
SUN LAKES, AZ 85248
[REDACTED]
MARDHAYES@LIVE.COM**

I

Antonio Gill

From: Salpal5959 [salpal5959@aol.com]
Sent: Saturday, March 31, 2012 7:07 PM
To: Newman-Web; Burns-Web; Pierce-Web; Kennedy-Web; Stump-Web
Subject: Letter of Protest to Arizona Corporation Commission

Commissioners:

I have a house in Sun Lakes and am writing my concern about your proposed increases. I do not think they are fair. Thank you for reading my email.

I am very upset about the following changes and increases that you are proposing.

Increase in irrigation water from \$0.36 per thousand gallons to \$.070 per thousand equals a 94.44% increase.

Effluent water increase is a 23.01% increase and costs more to produce than irrigation water.

Allowing for income tax expense of the shareholders to be passed to the ratepayers.

Pima and the shareholders want to double their rate of return on equity to 10.5%.

New loan request from Pima for \$2,500,000 to pay their shareholders another large distribution.

Pima is loaning their excess cash to affiliates rather than paying shareholders or further paying down debt to reduce their interest expense.

Sally Hanft

Antonio Gill

From: Beverly Schalin [bevearl@usa.net]
Sent: Friday, March 30, 2012 8:02 PM
Subject: RATE INCREASE

I can not believe that you are going to raise the PIMA rates with such a huge jump. Please do not raise my PIMA rates like that. A little raise maybe, but certainly not what you are considering.

Beverly Schalin
11002 E. Sunnydale Dr.
Sun Lakes, AZ 85248

Antonio Gill

From: Kay Tymn [gktymn@aol.com]
Sent: Friday, March 30, 2012 6:43 PM
To: Newman-Web; Burns-Web; Pierce-Web; Kennedy-Web; Kennedy-Web; Stump-Web
Subject: Pima Utilities Proposal for Rate Increase

We are a customers of the Pima Utility Company:

Gary & Kay Tymn
25244 S. Cloverland Drive
Sun Lakes, AZ 85248

We strongly object to the proposed increase in irrigation water resulting in a 94.4% increase. We urge the Arizona Corporate Commission to deny Pima's request for this rate increase.

Sincerely,

Gary & Kay Tymn

Antonio Gill

From: Wayne Krula [way57@wbhsi.net]
Sent: Tuesday, April 03, 2012 1:31 PM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Cc: pimarates@yahoo.com; Wayne Krula
Subject: Proposed Rate Increase

We, Pima Users, are protesting herewith your request to the Arizona Corporation Commission for an increase in our water and wastewater rates. Were your request to be granted, it would result in a 94% increase in the cost of irrigation water needed for our properties and a 23% increase in the cost of affluent water which we depend upon.

A majority of us who would be recipients of the proposed increase are retired and living on fixed incomes. While PIMA and your shareholders want to double your rate of return to more than 10%, our social security and investment returns are at a low ebb and virtually frozen. As users, we may not be shareholders to the PIMA enterprise, but we are captive users at your mercy. Our only recourse, besides protesting as we are, is to file a united complaint with the Better Business Bureau, because your concept of business fairness i.e. consideration of your user's welfare, seems to be sorely lacking. We hope that you will reconsider your action and increase your estimate of user importance! Sincerely,

L. Wayne & Marie A Krula
9015 E. Nacoma Drive
Sun Lakes, AZ 85248
Dockets - W-02199A-11-0329 & SW-02199A-11-0330

Antonio Gill

From: Maishe Levitan [maishelevitan@gmail.com]
Sent: Tuesday, April 03, 2012 11:49 AM
To: Pierce-Web
Subject: Rate increases

Dear Mr. Pierce,

I think you'll agree that this is the worst time for our senior Sun Lakes community to absorb increases to their home sewer and water rates and to their HOA dues as well.

Hope you can do something to stop it.

Sincerely,

Roberta and Maishe Levitan
24507 SW Lakeway Cir
Sun Lakes, AZ 85248

Antonio Gill

From: Roland Ferrera [roland.ferrera@sbcglobal.net]
Sent: Tuesday, April 03, 2012 9:54 PM
To: Pierce-Web
Subject: Pima Water and Sewer Rate Increase application

Re: Water Docket #W-02199A-11-0329
Sewer Docket #SW-02199A-11-0330

Dear Commissioner Pierce,

I am sending this email to register my astonishment at the suggested rate increase the Pima Water and Sewer Company has filed for.

As a resident of Sun Lakes, and retired as most of the residents are there, such an increase, if approved, would create a severe financial burden on each individual and again to an increase in our assessment fees.

At a time when we all struggle to meet our financial obligations, especially seniors on fixed incomes, such an increase will place another undue burden on us all.

I ask for your serious consideration before voting on this application realizing that the percentages requested are extreme and you will not approve this request.

Thank you for your time and consideration.

Sincerely,

Roland L. Ferrera
9233 E. Diamond Drive
Sun Lakes, AZ 85246

Antonio Gill

From: Suzanne Rowlands [sue60reb@yahoo.com]
Sent: Wednesday, April 04, 2012 8:37 AM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Subject: Pima Water & Sewer Utility Co. *proposed increase*

James & Suzanne Rowlands - 10601 E. Voax, Dr., Sun Lakes AZ 85248
Water - Docket #W-02199A-11-0329 Sewer - Docket #SW-02199A-11-0330

We are strongly opposed to:

1. Increase of 94.44% in irrigation water
2. Increase of 23.01% of effluent water
3. Allowing for Pima income tax expense of shareholders to be passed to use the ratepayers.
4. Pima & shareholders wanting to double their rate of return on equity to 10.5%.
5. New loan request from Pima for \$2,500,000 to pay their shareholders another large distribution.
6. Pima loaning their excess cash to affiliates rather than paying shareholders or further paying down debt to reduce their interest expense.

We live on fixed income & this increase is just too much. We know that an increase is needed but this proposed increase is WAY OUT OF LINE.

Douglas K. Sauter
9740 E. Sherwood Way
Sun Lakes, AZ 85248
[REDACTED]

April 4, 2012

RE: Protest-Pima Utility Company Rate Increase

Gary Pierce
Arizona Corporation Commission
1200 W. Washington 2nd Floor
Phoenix, AZ 85007

Dear Mr. Pierce:

I am a customer of the Pima Utility Company (Pima) at the above address. They provide me with potable water and also wastewater disposal.

I am aware that Pima Utility Company (Pima) has filed for rate increase with the Arizona Corporation Commission. I understand that their request is for a 29.2% increase in water rates and a 22.2% increase in wastewater rates, which is an outrageous increase for both!

Please don't approve such an enormous increase in these rates. Their request would be a severe burden on me and our entire community. Pima may have some need for increased rates to pay for some unavoidable increased costs of their operations, but a more modest increase would be appropriate. I would suggest that Pima should look into making their services more efficient and implement cost cutting measures. In our current nationwide economic situation everybody must do what they can do to reduce costs. Pima should be no exception!

Please do not grant Pima to enact their requested rate increase.

Thank You for the service you provide to the citizens of Arizona. You are a very valuable entity in a great state.

Sincerely,



Douglas K. Sauter

Antonio Gill

From: Terrence L Prendergast [terrypren@me.com]
Sent: Tuesday, April 10, 2012 3:52 PM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Subject: PIMA Rate hike

My name is Terrence Prendergast and have 2 homes, 9803 and 9847 E Stoney Vista Dr. Sun Lakes, AZ 85248. I'm a customer of Pima Utility Company.

I wish to address Docket Numbers; W-02199A-11-0329 and SW-02199A-11-0330, I'm opposed to the rate increase that Pima Utility Company is proposing. They supply water which is low standard poor tasting to our Senior retirement community in Sun Lakes. The water is so bad that I had to install a water softener and osmosis water system to make it drinkable at a cost of over \$1000 dollars. I'm retired and on a fixed income and can't afford to have increase in my water and sewer fees let alone additional raise of my Association dues because of landscape watering costs. I hope you will vote down the proposed increase and make them cut cost in other areas of there business.

Thank You,
Terrence Prendergast

Antonio Gill

From: Avis Mast [avisdian@msn.com]
Sent: Tuesday, April 10, 2012 6:43 AM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Subject: Pima Proposed Rate Increase

Commissioners,

Ref: Pima Proposed Rate Increase
Docket # W-02199A-11-0329 & SW-02-199A-11-0330

I would like you to please take into consideration that for us who live in Sun Lakes are retirement people with **"LIMITED FIXED INCOME"**. The rate increase you are proposing is extreme and will absolutely cause a hardship on those of us, who already, are stressed in trying to make ends meet.

I would appreciate if you would give it more thought and consider the effect it would have on us.

Thank You,

Avis Mast
9430 E. Desert Lake Dr.
Sun Lakes, Az. 85248

Antonio Gill

From: jerryjordan@wbhsi.net
Sent: Sunday, April 08, 2012 7:00 PM
To: Pierce-Web
Subject: Points regarding proposed increase in water by Pima Utility Co.

Mr. Pierce, I would like for you to consider the following points when considering the proposed increase in water by Pima Utility Co.

1. Increase in irrigation water from \$0.36 per thousand gallons to \$.070 per thousand equals a 94.44% increase.
2. Effluent water increase is a 23.01% increase and costs more to produce than irrigation water.
3. Allowing for income tax expense of the shareholders to be passed to the ratepayers.
4. Pima and the shareholders want to double their rate of return on equity to 10.5%.
5. New loan request from Pima for \$2,500,000 to pay their shareholders another large distribution.
6. Pima is loaning their excess cash to affiliates rather than paying shareholders or further paying down debt to reduce their interest expense.

Thank you for your consideration.

Jerry A. Jordan; 10828 E. Bellflower Drive; Sun Lakes, AZ... [REDACTED] jerryjordan@wbhsi.net.

Antonio Gill

From: Jacquelyn Fretwell [mrsfrets@gmail.com]
Sent: Sunday, April 08, 2012 2:38 PM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Subject: Rate increases of Pima Water and Sewer Utility Company

Water-Docket no W02199-11-0329 Sewer Docket no SW-02199A-1110330 We are writing regarding our concern of the proposed rate increases.

Please remember we are seniors on incomes that don't increase and are thus concerned at the proposed increases.

Sincerely,
Robert T Fretwell
Jacquelyn M. Fretwell
24420 S. Sunbrook Dr.
Sun Lakes, AZ. 85248

April 6, 2012

Arizona Corporation Commission
Commissioners Wing
1200 W. Washington – 2nd Floor
Phoenix, AZ 85007

Our names are Jack and Annie Hall. We live in Cottonwood Palo Verde at 10405 E. Windflower Ct.

We are writing this letter to express to you our concern regarding the Pima utilities request for a 94.4% irrigation water rate increase.

While we appreciate the fact that Pima Utility Company has been able to maintain a stable rate base, we have the following concerns.

- A. The Pima Utility Company and the shareholders are looking to double their rate of return on equity to 10.5% at a time when the economy is terrible and most our neighbors are on fixed income.
- B. Another concern is that Pima wants to allow for income tax expense of the shareholders to be passed to the ratepayers, which we find totally unjust and not very equitable.
- C. We have been informed that Pima is loaning their excess cash to affiliates rather than paying shareholders or further paying down debt to reduce their interest expense.
- D. We also understand that Pima has requested a loan of \$2,500,000 to pay their shareholders another large distribution.

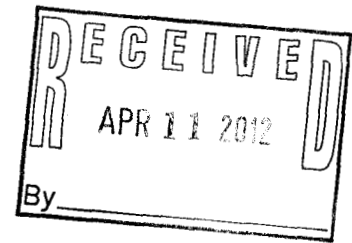
It should be noted that while Pima has informed its customers that they will experience a proposed \$8.89 per month increase; in reality the overall cost to homeowners with a rate increase from Pima, as well as the Homeowner's Association could very well be more than double that amount causing a severe hardship.

We request you deny or limit severely this request for a rate increase.

Concerned Pima Customers,

Jack and Annie Hall

**Arizona Corporation Commission
Gary Pierce - Commission Member**

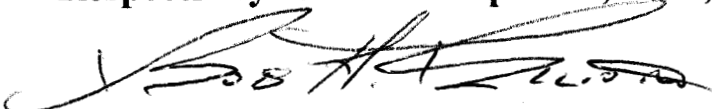


My name is Robert "BOB" A. Elliott. My wife and I own our home at 26222 S Ribbonwood Drive, Sun Lakes, AZ 85248-9274. We also own 2 rental homes at 8954 E Michigan Ave. And 8937 E Indiana Ave. In Sun Lakes, AZ 85248. ALL 3 homes are serviced by Pima Utility Company.

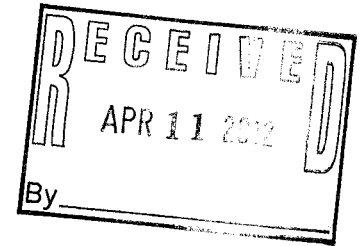
First off, the Robson Family must NOT have been math student genius's. Pima's filing indicates a general 29.2% increase for water and a 22.2% increase for wastewater. The increase calculated is greater than the 29.2% indicated in the filing because the water meter fee no longer includes the first 1,000 gallons of water. An increase in irrigation water from \$0.36 per thousand gallons to \$0.70 per thousand equals a 94.44% increase, and you can bet the Homeowners Associations will NOT absorb these raises, but will naturally pass through to the homeowners. Pima and the shareholders want to double their rate of return on equity to 10.5%. And where can I get this high rate of return? - NO WHERE. Pima is loaning their excess cash to their affiliates, rather than paying shareholders or further paying down debt to reduce their interest expense.

In hopes, Mr. Pierce, you will vote against this abdominal request from Pima.

Respectfully submitted April 10, 2012,


Bob A. Elliott

APRIL 6, 2012
FRED M. THOMPSON
25606 SO. FLAME TREE DR.
SUN LAKES, AZ. 85248



ARIZONA CORPORATION COMMISSION
COMMISSIONERS: BRENDA BURNS
GARY PIERCE
PAUL NEWMAN
SANDRA KENNEDY
BOB STUMP

COMMISSORNERS WING
1200 W WASHINGTON
PHOENIX, AZ.85007

REF: PIMA UTILITY PROPOED RATE INCREASE
DEAR MADAM/SIR:

MY NAME IS FRED M. THOMPSON I RESIDE AT THE
ADDRESS ABOVE IN THE COMMUNITY OF SUN LAKES,
I HAVE BEEN A CUSTOMER OF THE UTILITY FOR THE
TWENTY YEARS I'VE LIVED IN ARIZONA.

YOUR PREPOSED RATE INCREASE IS EXCEPTIONALLY
HIGH. THE INCREASE WILL CREATE A HARDSHIP AND
BURDEN AT MY RESIDENT. I AM A RETIRED PERSON ON A
FIXED INCOME, LIKE SO MANY OTHERS HERE IN SUN
LAKES.

THE ARIZONA AND NATIONAL ECONOMY, SUCH AS IT IS,
HAS PUT AN INCREASE ON JUST ABOUT EVERYTHING.
FROM PETRO TO TOILET PAPER. A RATE INCREASE
MAY BE NECESSARY BUT AT THE CURRENT PERPOSED
RATE. A REASONABLE INCREASE IS EXPECTED.

I WOULD APPERICATE EACH COMMISSIONER TAKING
THE TIME TO REVIEW THE PROPOSED WATER AND
SEWER RATE. ANY REDUCTION WOULD HELP EACH OF
US IN SUN LAKES

THANK YOU

FRED M. THOMPSON

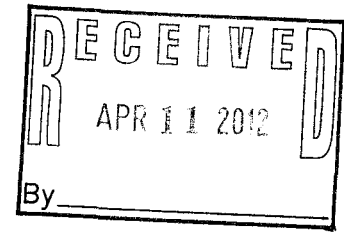
AZ CORP COMMN

10 APRIL 2012

COMMN WING

1200 WEST WASHINGTON

PHOENIX, AZ 85007-2996



RE DOCKETS W-02199A-11-0329 AND SW-02199A-11-0330 PIMA UTILITIES

SIRS

I HAVE BEEN INVOLVED AS A CEO, INVESTOR, AND OPERATOR/ BUILDER OF BOTH WATER AND WASTE WATER UTILITIES IN FAIRBANKS ALASKA FOR ABOUT 40 YEARS. (COLLEGE UTILITIES, GOLDEN HEART UTILITIES AND DOYON UTILITIES) I AM CURRENTLY RETIRED SINCE AUGUST OF 2009.

I HAVE OWNED A HOME IN SUN LAKES AT 24420 S METEOR CT SINCE 2002. I HAVE ALWAYS THOUGHT THAT THE RATES FOR PIMA UTILITIES MUST BE AMONG THE LOWEST IN THE VALLEY. I COULD NEVER FIGURE OUT HOW THEY COULD KEEP THE RATES SO LOW FOR SUCH AN EXTENDED PERIOD OF TIME.

SERVICE APPEARS TO BE GOOD, BILLINGS ACCURATE AND TIMELY, WATER QUALITY OK, AND IN SPITE OF THE CURRENT OUT CRY FROM THE HOA AND SOME MEMBERS, LIFE WILL GO ON AFTER THE PROPOSED \$8.98/ MONTH INCREASE

COUNT ME AS BEING IN FAVOR OF NEW INCREASED RATES FOR PIMA UTILITIES AFTER THOROUGH AND DUE CONSIDERATION BY THE AZ CORP COMMN, INCLUDING GRANTING THEM THE **OPPORTUNITY TO ATTEMPT TO EARN A 10.5 % ROE.**

SINCERELY

GEORGE E GORDON

BOX 80323

FAIRBANKS, AK 99708

A handwritten signature in black ink, appearing to read "George E. Gordon", written over a horizontal line.

WINTER RESIDENT OF SUN LAKES AT

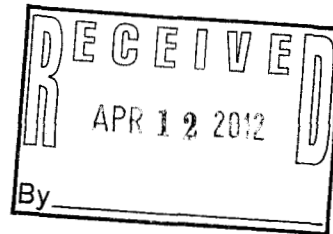
24420 S METEOR CT

SUN LALES, AZ 85248

From: Barbara Alford <balford@wbhsi.net>
Subject: **Pima Utility Concern**
Date: April 9, 2012 3:07:57 PM GMT-07:00
To: Barbara Alford <balford@wbhsi.net>



To Arizona Corporation Commission
Att: Paul Newman,
Brenda Burns,
Gary Pierce,
Sandra Kennedy,
Bob Stump



Being a Homeowner in Sun Lakes, Cottonwood Homeowners Assn. of course I am very concerned over the outrageous water and wastewater rate hike by Pima Utility Company. Most owners, like myself live on a limited budget and this rate increase is beyond reasonable. As a former business person I could never have increased fees to my clients like this. Only government and quasi-government firms can rob the taxpayer with impunity. There is no competition, no place else to go.

A reasonable rate hike of 10% would be more palatable but even that is hurtful in this stagnant economy. With food and gas price inflation, deteriorating income, health costs and just day to day increases in all quarters, its forcing retirees to seek other environs. I don't want to relocate and we need your help to relieve us from yet another burdensome cost increase. Thank you for listening and I will be awaiting your action on this very important issue.

Sincerely,
Barbara Alford
25857 S. Hollygreen Dr.
Sun Lakes, AZ 85248

Delwyn Ziegler
24024 S. Lakeway Circle NW
Sun Lakes, AZ 85248
[REDACTED]
dcziegler@aol.com

April 3, 2012

Gary Pierce, Commissioner
Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix, AZ 85007-2996

Re: Water – Docket No. W-02199A-11-0329 and Sewer Docket N. SW-02199A-11-0330

I recently received information on the proposed PIMA rate increases for water and waste water. All utilities need periodic rate increases to cover their increased costs, due to inflation or major maintenance. No one can sensibly argue with this, as we need the utilities to survive. The investors are also entitled to a reasonable rate of return on their investment. I must also say that we personally have had no problems with PIMA services.

However, I was shocked at the size of the percentage increase requested by PIMA, as it is greedy. What recent increases in costs can justify rate adjustments of 22% to 29% ? Just because rates have not been raised for a number of years, is not justification for such an increase.

When I saw some of the PIMA justifications for the rate increase, I was further upset at the frivolity of the reasons for the increase.

PIMA and the shareholders want to double their rate of return on equity to 10.5%. That's not a good reason for any increase. If they really want to increase their return on equity, they should lower their interest cost by using their excess cash to reduce their debt, rather than giving a large dividend to shareholders.

PIMA is one of several companies owned by Robson, Inc. conglomerate, the senior housing developer. In our community it originally owned the cable TV company, which he sold to a Colorado company. He owns the water and sewer companies. In various developments, he owns the golf course and tennis facilities. He owns other developments. He shifts cash between these companies to meet his overall needs. Is this what is happening here ?

For example, IronOaks recently purchased the golf courses and other amenities from Robson. As part of the purchase agreement, we were required to continue to take the wastewater from his sewage plant. We were concerned about this, as PIMA, in the future, might charge outrageous rates and we would be forced to pay them. We felt, however, that the Corporation Commission would protect us from gouging. We now trust you to protect us from these unjustified increases.

Sincerely,



April 12, 2012

Commissioner Gary Pierce
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington – 2nd Floor
Phoenix, AZ 85007

Commissioner Pierce, I am writing this letter as I will be out of town in May on vacation and not able to attend you're meeting with PIMA Utility and their request for increased fees. We are permanent residents of Arizona.

My first impression about their request was "What has their management been doing?" It seems that they have not been managing their organization to have to request such a large increase. They obviously have not considered the impact on their customers. They also do not provide accurate information on our current water usage. See the enclosed billing pages. (We use our bank's bill pay automatic system hence credits this time of year)

The Impact on us is very large to manage in our family budget:


Their requested residential request of 29.2 is actually larger because they now will no longer include the first 1000 gallons in the meter fee.

Their requested HOA increase is really a double hit. The 94% increase to the HOA will require a significant raise in our annual dues. Between both increases we homeowners will be paying over \$100.00 more per year for water.

We understand that things cost more money, over the years and rates do have to go up. But, it seems to me that PIMA management should have been on top of things years ago and made incremental reasonable requests in the single digit range.

Any thing you can do to reduce their outrageous request to a more manageable rate would be appreciated.

Thank your for your service.

Dann Gerblich
26051 S. Glenburn Dr
Sun Lakes AZ 85248


Arizona Corp Comm-Commissioners Wing
1200 West Washington
Phoenix, AZ 85007-2996

Charles Sloan
10036 E Champagne Dr
Sun Lakes, AZ 85248

Re: Water - Docket No. W-02199A-11-0329

Effluent Rate Level

Commissioners:

I am writing to voice my objection to portions of the water rate increase proposed by PIMA Utility Co. Specifically, the effluent rate level the utility has requested is significantly out of proportion to the other user rate levels proposed, and is contrary to sound public policy.

In 2010, an affiliate of PIMA Utility, Sun Lakes Marketing, sold the Oakwood golf course and additional properties to the IronOaks Homeowners Association. Part of that contract for sale includes a proviso that obligates the Oakwood Country Club to purchase effluent from PIMA Utility, essentially acting as their primary outlet for recycled water.

It is clear that past water rates reflect an intentional imbalance in allocation of water fees. The effluent rate the past 12 years was .58 per/thousand gallons, while regular irrigation water was priced at .36 per/thousand gallons. It is likely that this imbalance served the purpose of the owners of Oakwood Golf Course and the Utility, as it avoided controversy with current residents and potential home buyers. It also served the interests of the Corporation Commissioners at that time, as it was "politically safe" to impose the higher effluent rate on a non-voting entity. The result essentially imposed a subsidy for all other water users in Sun Lakes onto the owner of Oakwood Golf Course, also the owner of PIMA Utility.

Now that IronOaks HOA has purchased the Oakwood Golf Course, it is neither convenient nor politically warranted to impose this continuing subsidy on the users of Oakwood Golf. However, PIMA has proposed just that--a continuing subsidy for all other water users in Sun Lakes. The newly proposed rate of .70 per/thousand gallons is exactly the same as the rate proposed for irrigation use on all other public properties in Sun Lakes, including multiple golf courses.

Arizona and Maricopa public interest dictates that use of recycled water be encouraged in order to preserve the limited natural water resources that will determine our future survival. Not only does this proposed effluent rate fail to meet this essential public interest, it reflects bad faith in the sales transaction related to the golf course. The sale transaction places handcuffs on the new owner by requiring purchase of effluent, then exacerbates this limitation by continuing to impose excessive rate levels for the effluent at a time when correcting this imbalance is at hand.

Instead of allowing PIMA Utility to impose this subsidy on the users of Oakwood Golf Course, while contravening sound public policy, I ask you to stand up for public policy interests of all Arizonans and reject this element of the proposed rate changes.

Thank you,
Charles Sloan
PIMA Utility Customer and Oakwood Golf Club Member

Antonio Gill

From: Sloans [sloanaz1@yahoo.com]
Sent: Saturday, April 14, 2012 1:34 PM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Cc: pimarates@yahoo.com
Subject: PIMA Utility Water Rate Increase--Docket W-02199A-11-0329
Attachments: Objection to PIMA water rates 4-12.doc; ATT00001..txt

Commissioners,

I would like to register my objection to a proposed water rate increase I consider contradictory to State policy. PIMA Utility is proposing a number of rate level increases, but one stands out as totally at odds with sound water management. Effluent rates should encourage use of recycled water, but their proposal does just the opposite. It creates an incentive to discontinue use of effluent. Unfortunately, the owners of PIMA have the primary user of their effluent, Oakwood Golf Club, in a contractual vise that requires them to accept effluent even if it is priced to subsidize other users.

I have detailed my objections in the attached letter. I implore you to evaluate my concerns objectively, and I am sure you will come to the proper conclusion--rejection of the effluent rates included in PIMA's rate filing. Now is the time to fix this disproportionate effluent rate.

Thank you,
Charles Sloan
PIMA Utility customer and Oakwood Golf Club member

Antonio Gill

From: James Dittmann [jcmditt@msn.com]
Sent: Friday, April 13, 2012 7:57 PM
To: Newman-Web; Burns-Web; Pierce-Web; Kennedy-Web; Stump-Web
Subject: RATE INCREASE

Dear Commissioners:

My name is James Dittmann, I am a customer of the Pima Utility Company. I would like to. object to the proposed increase for Pima Utility. I think the filing for the increase is way to high, Water 29.2%, wastewater 22.2%. They probably need an increase as all cost have risen. But the request seems high. Plus the water increase is more then 29.2% indicted in the filing because the water meter fee no longer includes the first 1,000 gallons of water. I am sure that you and I wish that we could get that kind of an increase in our pay. But we know that will never happen. Please give this some thought when the commission meets and acts upon Pima's request.

Thank for your time, James & Catherine Dittmann 26021 S. Brentwood Drive, Sun Lakes AZ 85248 480/895-5895

Antonio Gill

From: Bonnie Herzog [bonnielherzog@gmail.com]
Sent: Friday, April 13, 2012 10:31 AM
To: Newman-Web; Burns-Web; Pierce-Web; Stump-Web; Kennedy-Web
Subject: PIMA Proposed Rate Hike

Please vote NO on the request for PIMA to increase rate drastically on both water and sewer! While everyone is struggling to make ends meet, tell PIMA that they cannot get huge increases in their profits. This is just wrong. We all need to sacrifice while the country and people try to recover from this terrible economy. Many people are trying to figure out how to keep their house or feed their family. Those of us on fixed incomes can't survive a huge increase so they can have more profits! JUST SAY NO!

Bonnie & Robert Herzog
9313 E Crystal Drive
Sun Lakes, AZ 85248

Antonio Gill

From: Toni Corrigan [t.corrigan@me.com]
Sent: Friday, April 13, 2012 1:13 PM
To: Newman-Web; Burns-Web; Stump-Web; Kennedy-Web; Pierce-Web
Subject: Pima Utility Water Rate Increase

To members of Arizona Commerce Commission:

I am Beverly Corrigan, a retired teacher, and resident of Sun Lakes, AZ and I am very concerned about the proposed increase in water rates, especial the increase in irrigation water from \$.036 per thousand gallons to \$0.70 per gallon. This is a 94% increase and will result in a large increase and will have to be passed on to the homeowners in Sun Lakes. This is in addition to the individual increase in our rates for our home use. We should not have to support a doubling in shareholders return.

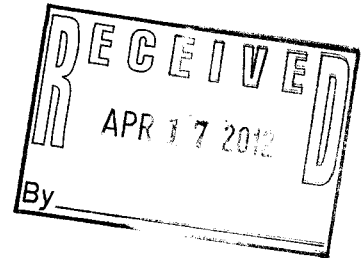
Pima is loaning their excess cash to affiliates rather than paying shareholders and expecting customers to support large distribution to the shareholders.

Please consider carefully, the motive and impact of these requested rate increases.

Sincerely,
Beverly Corrigan
26434 S. Truro Dr.
Sun Lakes, AZ

10422 East Lambert Drive
Sun Lakes, AZ 85248-7700
April 16, 2012

Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix, AZ 85007-2996



Re: Water – Docket No. W-2199A-11-0329
Docket No. SW-02199A-11-0330

To: All Commissioners:

This letter is in regard to the huge increase in the water and sewer charges requested by Pima Water and Sewer Utility Company. A modest increase is acceptable, but such a huge increase so that the shareholders can have a 10.5% return is totally out of line. Taking a loan to give a distribution to shareholders and then pushing it on to taxpayers is ridiculous.

I am sure you are aware that most people living in Sun Lakes are retired. Some of us depend on Social Security and small savings. SS has not given us any raises recently, and the banks certainly do not give adequate interest on any savings we might have. All costs of food, fuel, clothing, and utilities have escalated far beyond what this Administration claims is the inflation rate. To add the burden of MUCH higher water and sewer rates is not right or fair. Personally, I have cut back on water usage a great deal just to keep up with the current costs.

This is a request to reject such a high increase in water and sewer charges. Thank you for your consideration.

Sincerely,

Mary Ann J. Decker
IronOaks
Current resident at the above address

Mr. Gary Pierce
Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix AZ 85007-2956

Dear Commissioner Pierce,

I am opposed to the exorbitant proposed rate increases being requested by THE PIMA WATER AND SEWER UTILITY COMPANY in:

Docket Numbers:

Water - Docket No. W-02199A-11-0329 & Sewer – Docket No, SW-02199A-11-0330

Please vote against these increases.

As a senior homeowner trying to live on a fixed income, this increase would impose a significant hardship on me and the entire Sun Lakes retirement community of more than 10,000 senior homeowners.

Please vote against this proposal of major price increase during these difficult economic times. These changes would severely impact me and our entire senior community.

Sincerely,
Jeff Freeman
24604 S Lakeway Circle SE
Sun Lakes, AZ 85248